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Franklin County Treasurer

How to Improve Your Credit Score

The first thing you need to do is check your credit report. The "Fair and Accurate Credit Transactions Act of 2003" gives every consumer the right to get a copy of his or her credit report free of charge once a year. You should be able to get a free copy of your credit report from each of the three major credit-reporting agencies: Equifax, Experian, and TransUnion. Credit reporting companies may report different data or may report the same data differently, so it is a good idea to check all three. Consider staggering your three requests throughout the year to get the most up-to-date information.

An error in your credit report could impact your credit score and that could cost you money! There are many sources of inaccuracies: for example, data from someone with a similar name may have been wrongly reported as yours, or various recording errors may have occurred. If you find any errors, report them immediately to the credit-reporting agency that made the error. Report the error in writing, and be sure to keep a copy for yourself. Once you report the error, the credit-reporting agency must investigate and respond to you within 30 days. Keeping track of your credit score could pay off in lower car payments, lower mortgage interest, lower insurance rates, or better job opportunities.

Other ways to improve your credit score:

- Pay your bills on time, and pay off debts as soon as you can.
- Keep balances low on credit cards, and use them responsibly.
- Ask a friend or family member to co-sign a small loan and pay it back on time.
- Open a small savings account and borrow against it.
- Many banks offer a secured card, guaranteed by a deposit you make.
- Establish credit with an agency that reports to the credit bureau.
- If you have written bad checks and are now listed on "check systems," you can work your way off the list by enrolling in Get Checking. Call 614-552-2222.
- If you need help managing your finances, seek credit counseling.

With steady attention and time, you can improve your credit score and start saving money.

Resources

- Fair Isaac
www.myfico.com
- Federal Trade Commission
www.ftc.gov
- Allstate Insurance
www.allstate.com
- Consumer Credit Counseling Service
www.cccservices.com